

14 JAN 1957

MEMORANDUM FOR: Director of Logistics

FROM : Acting Comptroller

SUBJECT : Proposed Cost Accounting System for GPO -
State Service Printing Plant

REFERENCE : Memoranda dated 3 and 11 December 1956, from the
Director of Logistics to the Comptroller - Trans-
fer of GPO - State Service Printing Plant to Agency
Operation

1. This is to advise that the Technical Accounting Staff of this Office is now preparing a cost accounting system to be used by the GPO - State Service printing plant for maintaining the costs of each printing job done for components of this Agency and for other agencies such as State, Atomic Energy Commission, etc. It is contemplated that, although the cost of all printing work done will be kept on tabulating machines, bills or vouchers for reimbursement of such costs will be prepared and sent only to the other agencies. In other words, individual bills will not be prepared for printing work done for components of this Agency but the costs of such work will be tabulated for administrative purposes relating to the operation of the Printing Services Division.

2. It is planned to use, with some modification and simplification, the same general type of cost accounting system as the GPO now has which is based on using tabulating machines. [REDACTED] of the Technical Accounting Staff of this Office is preparing the above-mentioned revised cost accounting system which will be installed informally as a tentative system to be followed for the balance of the fiscal year. The system will then be studied further and any modifications found necessary will be made before it is formally installed on 1 July 1957. The details of the proposed cost accounting and billing procedures are being worked out currently with Messrs. [REDACTED] and [REDACTED] of your Printing Services Division, GPO - State Service printing plant, and the Machine Records Division of this Office, respectively.

3. Appropriate action will be taken by the Budget Division of this Office regarding the transfer of funds to GPO to cover the book value (purchase price minus depreciation) of the equipment now in the printing plant. Funds will be transferred for only equipment which GPO purchased subsequent to obtaining operating control of the plant, and for the supplies and spare parts on hand at the plant on the date of transfer of the printing plant to CIA.

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4. Appropriate action will also be taken by the Budget Division to allot to your Printing Services Division additional funds to cover the salaries of the personnel required to operate the GPO - State Service printing plant for the approximately six months period from January to 30 June 1957, when the study now being made by the Management Staff of the personnel required to operate said printing plant has been completed and approved. It is planned to make a separate allotment to cover the activities of the printing plant in order to provide basic data for the aforementioned cost accounting system. Funds will also be provided to cover the estimated net cost of supplies and other expenses for the same period.



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TAS/HMJ/dkm (11 January 1957)

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